



Norman H. Bangerter, Governor Dee C. Hansen, Executive Director Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 25, 1988

TO:

The Board of Oil, Gas and Mining

THRU:

Kenneth E. May, Associate Director, Mining

THRU:

Lowell P. Braxton, Administrator

Mineral Resources Development and Reclamation Program

FROM:

Frank Filas, Reclamation Engineer

RE:

Request for Board Concurrence on Form and Amount of Surety,

Zeigler Chemical and Mineral Corporation, Gilsonite Mines, M/047/013,

Uintah County, Utah

Attached is an Executive Summary and Reclamation Estimate for Zeigler's mines and processing facilities located at Little Bonanza, Utah. Also attached is a Collateral Bonding and Indemnity Agreement with a standby letter of credit for \$69,100.

Zeigler Chemical and Mineral Corporation has had difficulty in securing a surety bond and has requested that this letter of credit be used as the bond until a surety bond can be obtained. The letter of credit expires on May 2, 1989. The Division will require that another form of surety be provided prior to the expiration date. The Board's concurrence on the present form and amount of surety is requested.

clj Attachments (2) ID55/5-7